GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:809
ANSWERED ON:23.11.2000
USE OF NAPHTHA
SULTAN SALAHUDDIN OWAISI

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) Whether as per the liquid fuel policy introduced for power generation in 1995-96, Naphtha was chosen as one of the main affluent;

(b) If so, the details thereof;

(c) Whether in view of the adequate availability of Naphtha Government of Andhra Pradesh has suggested that present mechanism for Naphtha should be given a fresh look and the national cost which accounts for loading to the extent of 35% to 40% on the prices of Naphtha should be removed;

(d) If so, the details thereof; and

(e) the steps taken or being taken by Government in regard to review the present formula to give much relief to the consumers in terms of growing prices of Naphtha ?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) & (b) :- The Liquid Fuel Policy announced by the Government in November, 1995 allowed the use of certain liquid fuels including Naphtha as primary fuels for generation of electricity.

(c) to (e):- Representations have been received by the Government from various organisations including Government of Andhra Pradesh regarding review of pricing mechanism for the use of Naphtha for power generation. Naphtha being a decontrolled product since April 1, 1998, pricing thereof is market determined. Selling prices of Naphtha are not fixed by Government.